

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

RS FIT NW LLC,¹

Reorganized Debtor.

24 HOUR FITNESS WORLDWIDE, INC.,

Plaintiff,

v.

CONTINENTAL CASUALTY COMPANY, *et al.*,

Defendants.

: Chapter 11

: Case No. 20-11568 (KBO)

: Adv. Pro. No. 20-51051 (TMH)

**STIPULATION OF DISMISSAL OF CERTAIN UNDERWRITER DEFENDANTS AND
AS TO CERTAIN CLAIMS PLED AGAINST DEFENDANT ALLIED WORLD
NATIONAL ASSURANCE COMPANY**

IT IS HEREBY STIPULATED AND AGREED, by and between all remaining parties to the above-captioned adversary proceeding (the “Parties”) through their undersigned counsel, pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, made applicable to the above-captioned adversary proceeding (the “Adversary Proceeding”) by Rule 7041 of the Federal Rules of Bankruptcy Procedure, as set forth below. This Court has jurisdiction over the Complaint in the Adversary Proceeding pursuant to 28 U.S.C. §§ 157 and 1334, and previously determined

¹ The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, as applicable, is RS FIT NW LLC (9372). By order dated March 16, 2021 [Docket No. 7], the remaining Reorganized Debtors’ chapter 11 cases were closed. The Reorganized Debtors’ corporate headquarters and service address is 24 Hour Fitness USA, Inc., 1265 Laurel Tree Lane, Carlsbad, CA 92011.

that this is a non-core proceeding pursuant to 28 U.S.C. § 157(b). Venue of this matter is proper in this district under 28 U.S.C. §§ 1408 and 1409.

I. DISMISSAL OF CERTAIN UNDERWRITER DEFENDANTS WITH PREJUDICE

THE PARTIES STIPULATE AND AGREE that this action and all claims alleged therein by Plaintiff 24 Hour Fitness Worldwide, Inc. (“Plaintiff”) shall be and are hereby dismissed with prejudice as against only Defendants (1) Continental Casualty Company, (2) Starr Surplus Lines Insurance Company, (3) Liberty Mutual Fire Insurance Company, (4) Certain Underwriters at Lloyd’s London subscribing to Policy Number W27C0A190101, (5) Allianz Global Risks US Insurance Company, (6) QBE Specialty Insurance Company, and (7) General Security Indemnity Company of Arizona (collectively, “Certain Underwriter Defendants”).

Plaintiff and Certain Underwriter Defendants agree that each shall bear their own fees and costs arising from this litigation.

II. DISMISSAL OF CERTAIN CLAIMS AGAINST ALLIED WORLD WITH PREJUDICE

IT IS FURTHER STIPULATED AND AGREED that, as against Defendant Allied World National Assurance Company (“Allied World”), all claims for relief that relate to or arise out of coverage under only the Allied World Property Policy and/or the Property Claim² shall be dismissed with prejudice, without fees or costs to or against any party.

² The term “Allied World Property Policy” refers to the “Commercial Property Policy” issued by Allied World bearing Policy No. 0311-9178-1N.

The term “Property Claim” refers to the claim or claims submitted by Plaintiff to Allied World under the Allied World Property Policy for alleged loss and damage to Plaintiff’s properties and business arising from the COVID-19 pandemic which Plaintiff asserts are insured under the Allied World Property Policy, including claims for property damage, business interruption, extra expense, communicable disease coverage and other expenses.

For the avoidance of doubt, nothing in this Stipulation shall be construed as a dismissal of Plaintiff's separate claim(s) against Allied World in this Adversary Proceeding that relate to or arise from (i) Plaintiff's claim(s) for relief under the "Scheduled Location Pollution Liability Policy" issued by Allied World bearing Policy No. 0309-1873 (the "Pollution Policy"), or (ii) Plaintiff's claims made to Allied World under the Pollution Policy for alleged damage to Plaintiff's business allegedly arising from the COVID-19 pandemic (collectively, the "Pollution Claim").

Plaintiff and Allied World agree that Plaintiff may continue to fully prosecute its claims against Allied World in the Adversary Proceeding concerning the Pollution Claim and alleged coverage under the Pollution Policy. Plaintiff and Allied World further agree that Allied World reserves all rights and defenses related to Plaintiff's claims for relief in the Adversary Proceeding concerning the Pollution Claim and alleged coverage under the Pollution Policy, all of which are fully preserved.

III. EXECUTION

IT IS FURTHER STIPULATED AND AGREED that this Stipulation may be executed in counterparts, that facsimile and/or electronic copies of this stipulation shall be deemed originals, and that this Stipulation may be filed with the Court without further notice to the Parties, and shall be effective immediately upon filing with the Court.

[SIGNATURE PAGES FOLLOW]

Dated: April 10, 2025

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